



November 16, 2018

The Honorable Ajit V. Pai
Chairman
Federal Communications Commission
455 12th Street, Southwest
Washington, DC, 20544

Dear Chairman Pai,

I am writing on behalf of Nā Leo 'O Hawai'i dba Nā Leo TV to express concern and disapproval of proposals and tentative conclusions contained in the FCC's September 25th Further Notice of Proposed Rule Making in *Implementation of Section 621(a)(1) of the Cable Communication Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992*, MB Docket 05-311. Nā Leo TV is the sole provider of public access programming and related services to the residents of Hawai'i Island.

Our company is especially concerned about the broad definition of "in-kind" contributions. This broad definition allows cable companies to determine how franchise fee revenue will be spent and severely restricts LFA oversight. Assuming that any non-monetary benefit could be charged, I like many of my counterparts at other PEG stations wonder where a line will be drawn. I wonder if backhaul services, PEG channel capacity, or program guides would be included as "in-kind" contributions and therefore essentially allow the total elimination of all franchise fees. A broad definition of "in-kind contributions" could allow cable operators to circumvent their negotiated obligations to the residents of our community, such as accommodating hearing impaired subscribers, cable services to schools and public buildings, and transmission of PEG programming and PEG channel capacity. PEG channel capacity and connections to programming origination points have been a part of negotiated franchise agreements in our state without being subject to the franchise fee cap. The Commission's proposal will most likely shift the delicate balance between cable franchising authorities and cable operators and inevitably force franchising authorities to minimize or eliminate the use of PEG cable channels.

I respectfully submit that any change to the definition of "franchise fees" under the Cable Act should be made by Congress. This will ensure that all citizens, PEG channels, and corporations will have their rights protected and that a win-win solution can be achieved for all, not just the LFAs or other corporate interests.





Nā Leo TV provides hyper-local programming and services to Hawai'i Island. Public access television connects people of all walks of life and allows freedom of speech and expression to flourish. We work with local students from the elementary school level through college. We work with senior citizens and other non-profit groups to help promote communication and partnerships to strengthen our various communities. We provide transparency and government participation through broadcast of our local county council and state legislative meetings. Our contributions to our community are well documented and appreciated by our citizens, and these services would not be possible without the well intentioned vision cable franchise fees provide.

I appreciate your consideration and I hope you will protect the rights of PEG channels across the country and reconsider many of the proposals in this Further Notice of Proposed Rule-Making.

Sincerely,

Stacy K. Higa
President & CEO
Nā Leo TV



Nā Leo 'O Hawai'i
A Nonprofit Organization